

SLDC

2014 REPORT TO THE REGION

ST. LOUIS DEVELOPMENT CORPORATION

INVESTMENT. INNOVATION. INCLUSION.



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In the past year, the City of St. Louis was able to complete a number of key projects that represent billions of dollars of investment throughout the City, such as the opening of Ballpark Village and the phenomenal growth in the Cortex Innovation Center and in Grand Center.

SLDC is focused on the assets that make the City great. Part of that is real estate development, especially office space. By first filling the office buildings we have, we can then work on building new space. Our historic building stock makes us unique. We find that much of our new development replicates the old. So we are finding that we can attract new development that still keeps the historic character of our neighborhoods intact.

The economy is still slowly recovering, so developers still struggle to get financing for their projects. St. Louis is 250 years old, and so, there are old, contaminated structures and land that must be cleared for new development. That's where we come in, with creative financing, incentives, public/private regional initiatives and partnerships that get great projects off paper and into bricks and mortar.

We've laid the groundwork for the City to be a global player in technology and entrepreneurship. More than 100 startups are thriving downtown in the Technology Entrepreneur Center incubator. The Cortex district has transformed the central corridor from an industrial area to an office, residential, and retail area. As more companies invest in the district, more people will work in and move to the area. We continue to work on resources to help the Northside Regeneration project kickoff and be successful.

We also have implemented new programs to expand business opportunities for minority- and women-owned businesses and remove barriers to economic inclusion. These initiatives provide access to capital and contracting opportunities, free legal assistance, and supervision of developers' achievement of the City's and Mayor Slay's minority/women participation goals.

As our 250th birthday observation comes to a close, the next 250 years begin with an exciting 2015. Openings of the newly-redesigned Arch grounds, the region's first IKEA store, the City's first Whole Foods grocery store, and the National Blues Museum will help bring the region together in the coming months.

And, we will continue to seize opportunities to make the City great for everyone.

St. Louis Development Corporation (SLDC) is the City's economic development arm. SLDC's mission is to stimulate the market for private investment in City real estate and business development and improve the quality of life for everyone who lives in, works in and visits St. Louis.

ROLES AND SERVICES

- ▶ Real estate management, site assembly, preparation and development
- ▶ Neighborhood and Commercial District development
- ▶ Port development and management
- ▶ Minority- and Women-Owned Business inclusion and support
- ▶ Support and administration of City economic development incentives, boards and authorities
- ▶ Business Assistance Center
- ▶ Liaison to regional economic development initiatives

Development Highlights

FIELDS FOODS

Fields Foods specializes in bringing healthy local foods to local shoppers. The full-service grocery store is located in the heart of historic Lafayette Square.

The store has brought more than 100 jobs to the area. Most positions pay between \$9 and \$25 an hour with approximately 70 percent of the positions being full time with health and retirement benefits.

The \$15 million project also includes St. Louis Food Hub's food distribution and processing center. Chris Goodson and Jeffrey Randol are co-founders of both the food hub social enterprise and Fields Foods. **Their project qualified for incentives that included New Markets Tax Credits and Tax Incremental Financing.**



Daneitria Williams started working at Fields Foods as a produce clerk. Now she's an assistant produce manager.

100 jobs



BALLPARK VILLAGE

St. Louis' newest dining and entertainment destination is jam-packed and not just on game days. The Cardinals and Baltimore-based Cordish Companies opened the \$100 million first phase of their Ballpark Village to capacity crowds. Located on 10 acres adjacent to Busch Stadium, **Ballpark Village received \$17 million in state and City incentives to improve public infrastructure around the development.**

The first phase is anchored by Cardinals Nation, the Budweiser Brew House, FOX Sports Midwest Live!, PBR St. Louis - A Cowboy Bar, Howl at the Moon and Drunken Fish.

Ballpark Village has created 1,200 jobs and is expected to add thousands more in future phases of development.

1,200 new jobs

CORTEX

Cortex, the 200-acre mixed-use innovation district in Midtown, will be booming with bioscience, technology research and retail activity in 2015 and beyond. **The City of St. Louis has approved \$167 million in Tax Incremental Financing to support the project. To date, \$85.1 million of that authority has been invested in the district's first three development phases.**

More than 50 startup companies call Cortex home, and its five innovation centers are fostering new ideas and technologies. Among the district's newest tenants are Ventures, the startup unit of Boeing's Defense, Space & Security Unit; AB Mauri, which supplies the food and baking industries with yeast and bakery ingredients; law firm Husch Blackwell, which has established a satellite office; and Manifest

Digital, which expects to grow its staff by roughly 30 percent over the next year.

The highly anticipated IKEA home furnishings store, located at the corner of Forest Park and Vandeventer avenues, is scheduled to open in the fall 2015. Approximately 300 jobs will be available across various departments. Employees working 20 hours or more will get full benefits.

The Cortex district has seen more than \$500 million of development and is projected to see a total of \$2.1 billion in development and \$100 million in public infrastructure improvements, including a new MetroLink station, recently approved for a \$10.3 million federal TIGER grant.

Development to date has generated more than 2,500 jobs. Cortex plans call for as many as 12,000 jobs to be added by 2035.



Washington University moved its Offices of Technology Management and Research Administration into the @4240 building in the Cortex district.

12,000 jobs by 2035

TECHNOLOGY ENTREPRENEUR CENTER

After achieving two years of exponential growth, the Technology Entrepreneur Center @ Railway Exchange Building (T-REx) startup incubator relocated from the Railway Exchange Building to larger space. The incubator and SLDC purchased the Lammert Building at 911 Washington, doubling the incubator's downtown footprint from 80,000 square feet to 160,000 square feet and increasing the number of startups from 70 to 110 in the new space. **SLDC provided \$4.9 million in New Markets Tax Credits toward the purchase.**

In addition to T-REx and its startup companies, and as part of its vision to be a world-class venture development organization, the incubator continues to provide space for St. Louis' top business accelerators, business assistance organizations, and venture capital groups, including Capital Innovators, Cultivation Capital, SixThirty, Arch Grants, Information Technology Entrepreneur Network (ITEN), and the SBA Small Business Technology Development Center.

100+ startups



CARYN TOMER

RoverTown is based in T-REx. The startup's app shows college students discounts available at local businesses in their university community. The company, which won an Arch Grant in 2013, recently received a \$100,000 Arch Grants follow-up grant.

MERCEDES-BENZ OF ST. LOUIS

Mercedes-Benz of St. Louis, formerly Tri-Star Imports, moved back to the City after nearly 20 years to a gleaming new building located on the corner of Highway 40 and Hampton Avenue just south of Forest Park. The Mercedes "Autohaus design" calls for dealerships worldwide to incorporate lots of glass, exposed offices and contemporary furniture with simple, clean lines.

The \$11.7 million project included demolition of the former KTVI-TV/Fox News building and construction of a showroom, service center, offices and a parking structure. **The City provided \$2.2 million in Tax Increment Financing.**

The dealership has 60 employees.

60 employees



DILIP VISHWANATH

Owner Tom Hennekes wanted a more central location for his luxury dealership.

Sun Theatre



AARON BUNSE - LAWRENCE GROUP

BEFORE



MICHAEL KELLEY

AFTER

GRAND CENTER

The Grand Center arts and entertainment district, home to more than 1,500 cultural events annually, is continuing to grow.

After more than 25 years at 3504 Magnolia Avenue, KDHX moved into its new \$3.5 million facility, 3524 Washington Avenue. The Larry J. Weir Center for Independent Media includes on-air and production studios, a coffee shop, an intimate concert space and administrative offices for its full-time staff members and many volunteers.

Built in 1913 and vacant for nearly 50 years, the newly renovated Sun Theatre, 3625 Grandel Square, is now a 700-seat perfor-

mance and classroom venue for the Grand Center Academy, the only charter school in the City with a focus on the arts. **The \$11 million makeover – made possible by \$4 million in state and federal historic preservation tax credits – was completed by the Lawrence Group.**

Jazz St. Louis is well on its way to raising \$10 million for its new and expanded facilities that will be known as The Harold and Dorothy Steward Center for Jazz. The two-building center will house jazz education spaces to nurture the next generation of jazz artists, offices and the completely redesigned and renovated Ferring Jazz Bistro, home of the Jazz at the Bistro concert series.

\$24 million invested



SARA FINK

88.1 KDHX DJ JEFF HESS



ST. LOUIS MAGAZINE

JAZZ ST. LOUIS' NEW LOUNGE

Minority Business Development

SLDC promotes the expansion of business opportunities for minority- and women-owned enterprises (M/WBEs), showcases M/WBE capabilities and works to remove barriers to economic inclusion. SLDC helps new and existing businesses succeed by:

- ▶ Promoting access to contracting opportunities
- ▶ Offering financial incentives and access to loans
- ▶ Providing business consulting and skills training
- ▶ Sponsoring networking events
- ▶ Managing the M/WBE compliance process
- ▶ Assisting with the M/WBE certification process
- ▶ Collaborating with other City departments (SLATE, DBE office, etc.) and with educational institutions, trade and professional organizations and nonprofit agencies to track and influence goal achievement

NEW INITIATIVES

CONTRACTOR LOAN FUND

SLDC is partnering with banks, technical assistance providers and nonprofit organizations to create the City's first Contractor Loan Fund (CLF). **When fully implemented, the CLF will provide \$10 million in below market rate capital for M/WBE contractors.** To date, over \$7 million has been raised.

MINORITY CONTRACTORS PLAN ROOM

Bidding opportunities translate into jobs and contracts. **SLDC is now the manager of the Minority Contractors Plan Room housed at Cross Rhodes Reprographics**, 1712 Macklind Avenue. The online database offers immediate access to upcoming public and private development projects in the region along with plans, bidding specifications and prime general contractor information. Approximately 15 new bid opportunities are posted each month.



Founded by owner Elmer Rhodes in 2009, Cross Rhodes Reprographics is a full service reprographics firm. The company specializes in document management, storage and reproduction of construction documents, large format color printing and other digital services. Originally housed in the Midtown Enterprise Center, Cross Rhodes has an office in Lombard, Ill. and two offices in Louisiana in addition to its office on Macklind Avenue.



Attorney Laurie Hauber counsels Carla Reid, owner of Elevated Men's Salon.

LEGAL ASSISTANCE

In cooperation with Legal Services of Eastern Missouri, SLDC is addressing the legal needs of minority- and women-owned businesses.

Established in 2011, the Community Economic Development Program provides eligible businesses with legal representation, legal workshops and clinics and legal checkups. The program has served more than 1,700 business owners, approximately 85 percent of them were minorities and 65 percent were women.

SLDC is providing \$100,000 in funding over the next two years. Program partners include St. Louis Economic Development Partnership, Grace Hill Women's Business Center, BEGIN New Venture Center at the St. Patrick Center, International Institute Community Development Corp., Small Business Administration, St. Louis Community Credit Union, Regional Urban Construction Center, Accelerate St. Louis, University City Department of Community Development, Small Business Technology and Development Center, Justine Petersen, STLventureWorks, Skandalaris Center for Entrepreneurial Studies at Washington University, Veterans Business Resource Center, CU Excel Center, Center for the Acceleration of African American Business, Better Family Life and SLATE.

COMPLIANCE PROGRAM

On July 1, SLDC assumed control of the City's MBE Compliance Program. SLDC is now directly responsible for administering and enforcing the City's M/WBE participation policy and monitoring developers' achievement of the City's participation goals: 25 percent minority and five percent women on all City-funded development and public works projects.

Compliance monitoring was performed by SLDC until 2001, when the duties were consolidated at the Lambert St. Louis International Airport Disadvantaged Business Enterprise (DBE) office. The DBE office administers a federal program mainly associated with airport-related contracting and any federally funded capital improvement projects conducted by the City's Board of Public Service.

DISPARITY STUDY

SLDC is the lead organization in a partnership with other City agencies on a forthcoming disparity study. The study will determine the levels of M/WBE and non M/WBE availability within the City's market area and whether contracts have been awarded equitably. It will also identify best practices and recommend strategies that will help the City update and improve its M/WBE policies as well as narrowly tailored remedies to address any identified disparity.